

DRAFT REPORT TO THE PRESIDENT ON  
ORGANIZATION AND MANAGEMENT OF THE  
FOREIGN INTELLIGENCE COMMUNITY

December 16, 1975  
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16 December 1975

MEMORANDUM FOR: Secretary of State  
Secretary of Treasury  
Secretary of Defense  
Attorney General  
Director, Central Intelligence  
Chairman, Joint Chiefs of Staff

FROM:

SUBJECT:

Options Paper for the President on  
Organization and Management of the  
Foreign Intelligence Community

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Transmitted herewith is the latest draft of the options and recommendations paper for the President concerning the organization and management of the foreign intelligence community. I understand that the text of the options paper has been reviewed by your working group representative.

The deadline for your comments and recommendations to the President with respect to the various policy options is Noon, Thursday, December 18. I appreciate the shortness of this deadline, but it is necessary in order to ensure that the President has the benefit of your views.

Thanks.

Attachment

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ORGANIZATION AND MANAGEMENT OF THE  
FOREIGN INTELLIGENCE COMMUNITY

EXECUTIVE SUMMARY

The primary objective of the foreign intelligence community is to provide quality intelligence on a timely basis to both policy-makers and operational officials. Any organization and management of the Community -- its collectors, processors, and producers -- must be shaped to accomplish this objective. To assure public confidence and support, organization and management must be structured to prevent potential abuses and to make maximum use of limited resources.

Demands from Congress for information on intelligence operations and substantive intelligence will force the Intelligence Community to operate in a more public arena. Diffusion of political and economic power, proliferation of nuclear and sophisticated conventional weapons, and growth in terrorism are creating broader demands for timely integrated analysis. Ever-increasing demands for high quality intelligence assessments, especially in crisis situations, will require increased use of advanced technological systems as well as the more traditional human intelligence sources. Any restructuring of the organization and management of the Community must respond to these challenges.

Executive Branch safeguards are necessary to prevent potential abuses. Options include: (1) guidelines defining the scope of permissible intelligence activity and (2) mechanisms to improve Executive Branch oversight.

To improve quality and direction in the Intelligence Community, four major structural options -- three requiring legislative action -- are examined:

- #1: Creation of a new expanded intelligence agency, headed by a Director of Intelligence, with resource and line control over the national programs -- the CIA Program (CIAP), Consolidated Cryptologic Program (CCP), and the National Reconnaissance Program (NRP). This option is based on the premise that national programs are best managed if centrally funded and controlled, and that gains from centralization outweigh disadvantages resulting from separation of collectors from their primary consumers.
- #2: Creation of a Director-General for Intelligence (DGI) with resource control over the CIAP, CCP and NRP, but line control only over his immediate staff. This option is based on the premise that a central leader with resource control and without a vested interest in any one element of the Community is needed. Option #2A differs from Option #2 by giving the DCI line control over present CIA production elements.

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#3: Creation of a Director of Foreign Intelligence (DFI) with broad coordination powers but neither resource nor line control over any part of the Intelligence Community. This option is based on the premise that an intelligence leader, independent of any organization within the Community, would be best able to coordinate its activities, and that the Defense Department requires a major voice in resource and line control of intelligence assets. Option #3A differs from Option #3 by decentralizing intelligence production responsibilities through transfer of present CIA production elements to the relevant departments.

#4: Retention of current Community relationships with the addition of a second full Deputy to the DCI with management responsibility for the CIA and perhaps with expanded or restructured Executive Committees and production responsibilities. This option is based on the premise that major organizational changes may be undesirable, and that improved Community leadership structures are possible through administrative action.

The study also discusses moving the covert action capability out of CIA and placing it in a new, separate agency.

Finally the study also discusses certain possible management improvements.

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ORGANIZATION AND MANAGEMENT OF THE  
FOREIGN INTELLIGENCE COMMUNITY

I. INTRODUCTION

On November 14, 1975, the President initiated a study of the organization and management of the foreign intelligence community, including an examination of:

- the basic structure of the Community,
- key problems of organization and management,
- definition of requirements,
- systems design and selection,
- resource allocation,
- guidance mechanisms,
- consumer-producer relationships, and
- relevant recommendations of the Rockefeller and Murphy Commissions.

Based upon the results of these reviews, the study was directed to:

- evaluate the need for changes in the current organization of the foreign intelligence community,
- present options for a possible reorganization of the foreign intelligence community, and
- submit the recommendations of each addressee [the Secretaries of State, Treasury, and Defense, Attorney General, Directors of OMB and CIA, and Chairman of the Joint Chiefs of Staff] on the options presented.

The study group determined that its charge did not include counter-intelligence or assistance to law enforcement agencies, because these areas include components outside the foreign intelligence community, primarily the FBI.

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